

#10



Attorney Docket No. RCIP-001/01US

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of Malcolm W. Lockhart, et al.

2152

Serial No.: 09/548,356 Examiner: Unassigned
Filed: October 25, 2000 Art Unit: 2756
Confirmation No. 6116

For: **SYSTEM AND METHOD FOR DATA RIGHTS MANAGEMENT**

Commissioner for Patents
Washington, D.C. 20231

RECEIVED

JAN 18 2002

TRANSMITTAL OF DOCUMENTS

Technology Center 2100

Enclosed are the following documents:

[X] REQUEST FOR WITHDRAWAL AS ATTORNEY OR AGENT, in triplicate

The Commissioner is hereby authorized to charge any appropriate fees under 37 C.F.R. §§1.16, 1.17, and 1.21 that may be required by this paper, and to credit any overpayment, to Deposit Account No. 50-1283.

Dated: 16 JAN 02

Respectfully submitted,
COOLEY GODWARD LLP

Cooley Godward LLP
Attention: Patent Group
One Freedom Square - Reston Town Center
11951 Freedom Drive
Reston, Virginia 20190-5601
Tel: (703) 456-8000
Fax: (703) 456-8100

By: [Signature]
Rick A. Toering
Reg. No. 43,195

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re patent of: Malcolm W. Lockhart et al.
Application No.: 09/548,356 Examiner: Unassigned
Date Filed: October 25, 2000 Art Unit: 2756
Confirmation No.: 6116
For: **SYSTEM AND METHOD FOR DATA RIGHTS MANAGEMENT**

RECEIVED

JAN 18 2002

Technology Center 2100



Commissioner of Patents
Washington, D.C. 20231

REQUEST FOR WITHDRAWAL AS ATTORNEY OR AGENT

I hereby apply to withdraw as attorney or agent for the above identified application. I am signing on behalf of the registered practitioners of Cooley Godward LLP included in the Customer Number provided below:

CUSTOMER NUMBER: 022903

This withdrawal is requested because Rights Solutions, Inc., a wholly owned subsidiary of Microsoft and the new assignee of the entire interest in the above referenced application, has requested the action. The above referenced application was offered by Reciprocal as collateral to secure a loan made to Reciprocal by Microsoft Corporation. Reciprocal defaulted on the loan and Microsoft offered to accept the collateral in satisfaction thereof. Thereafter, Microsoft assigned its interest in its loan to Reciprocal to Rights Solutions. Rights Solutions subsequently foreclosed on the collateral.

Copies of the following documents are attached: 1) a Security Agreement between Reciprocal and Microsoft; 2) a Proposal to Accept Collateral in full Satisfaction of Obligations between Reciprocal and Microsoft; 3) an Assignment of Loan Documents from Microsoft to Rights Solutions; 4) a letter from Rights Solutions to Reciprocal indicating that Rights Solutions had foreclosed upon and taken title to the collateral; and 5) an email from John Weresh of Microsoft directing us to forward him our files for the above referenced application.

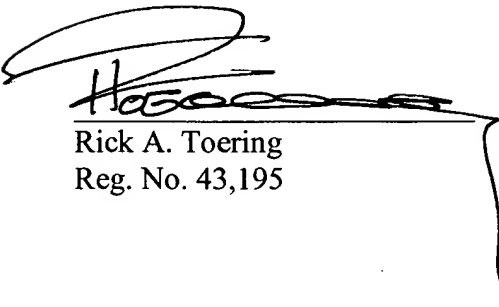
Please direct all future correspondence to:

Attn: John Weresh
Microsoft Corporation
One Microsoft Way
Redmond, WA 98052-6399
Tel. 425.705.7707

This request is enclosed in triplicate.

Respectfully submitted,
COOLEY GODWARD LLP

Date: 16 JAN 02
Cooley Godward LLP
Attn: Patent Group
One Freedom Square, Reston Town Center
11951 Freedom Drive
Reston, VA 20190-5601


Rick A. Toering
Reg. No. 43,195

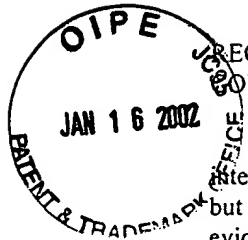
RECEIVED

JAN 18 2002

Technology Center 2100

SCHEDULE 3.1 (Cont'd)

MEMORANDUM OF ASSIGNMENT AS SECURITY OF PATENT



THIS Memorandum of Assignment As Security of Patent ("Memorandum") is entered into by RECIPROCAL, INC., a Delaware corporation (referred to below as "Debtor") for the benefit of MICROSOFT CORPORATION, a Washington corporation (referred to below as "Secured Party").

Debtor hereby acknowledges that Debtor has granted to Secured Party a security interest all right, title and interest of Debtor in, all of Debtor's now or hereafter existing personal property (tangible and intangible), including but not limited to all of Debtor's exclusive rights in the following patents, and in accounts receivable, all as evidenced by that certain Commercial Security Agreement dated as of March 16, 2001 between Debtor and Secured Party (hereafter, "Security Agreement"), which Security Agreement is incorporated herein by this reference. Without limiting the generality of the foregoing or the Security Agreement, Debtor acknowledges and agrees that Debtor has granted a security interest to Secured Party in all of Debtor's rights (exclusive and/or nonexclusive) in the following patents:

United States Patent No. N/A for _____ [title], issued _____ in the name of _____ [inventor]. [Assigned to _____ [assignee name and address] by a document executed _____ [date] and recorded in the United States Patent and Trademark office on _____, on Reel _____, Frame[s].]

United States Patent Application Serial No. 60/128,762 for System and Method For Data Rights Management, filed April 12, 1999 in the names of Malcolm W. Lockhart, D. Gordon Grimes, Ranjiv Sharma and Neal A. Musselwhite.

United States Patent Application Serial No. 09/548,356 for System and Method For Data Rights Management, filed April 12, 2000 in the names of Malcolm W. Lockhart, D. Gordon Grimes, Ranjiv Sharma and Neal A. Musselwhite.

United States Patent Application Serial No. 09/548,341 for System and Method For Data Rights Management, filed April 12, 2000 in the names of Malcolm W. Lockhart, D. Gordon Grimes, Ranjiv Sharma and Neal A. Musselwhite.

PCT Patent Application Serial No. PCT/US00/09654 for System and Method For Data Rights Management, filed April 12, 2000 in the names of Malcolm W. Lockhart, D. Gordon Grimes, Ranjiv Sharma and Neal A. Musselwhite.

This Memorandum is executed on the date set forth below by a duly authorized officer or agent of Debtor and is submitted for recording in the U.S. Patent and Trademark Office.

Secured Party's Address:
One Microsoft Way, Redmond, WA 98052

Reciprocal, Inc.

By [Signature]
Its VICE PRESIDENT CORPORATE DEVELOPMENT
Date of Execution: MARCH 16, 2001

STATE OF New York)
COUNTY OF Erie) ss.

I certify that I know or have satisfactory evidence that Paul Mitchell is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the Vice President of Reciprocal, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. DATED: 3/16/01

Kimberly R. Batauck
Notary Public

Kimberly R. Wantuck
[Printed Name]
My appointment expires 11/9/02

KIMBERLY R. WANTUCK
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Nov. 9, 2002

Proposal to Accept Collateral in full Satisfaction of Obligations

To: RECIPROCAL, INC.
330 Madison Avenue, 19th Floor
New York, New York 10017

From: Microsoft Corporation
One Microsoft Way
Redmond, Washington 98052-6399
Attention: Craig Shealy (425) 707-6530

We propose to accept the Collateral described in section 2.4 of the Commercial Security Agreement dated March 16, 2001 between Reciprocal Inc. as Debtor and Microsoft Corporation as Secured Party ("Security Agreement") in full satisfaction of the indebtedness described in section 2.9 of the Security Agreement. The indebtedness, specifically the indebtedness under the Convertible Loan Agreement and Note dated March 16, 2001 in the principal amount of \$10,000,000.00 together with accrued unpaid interest is past due and has been in default since September 17, 2001. We propose to accept the Collateral on October 21st, 2001 or such earlier date upon which you deliver to us your signed written consent to this proposal.

Pursuant to section 7.2 of the Security Agreement we expect your cooperation in assembling the Collateral and making it available to Microsoft Corporation as soon as possible but not later than October 21st at the three locations specified in section 3.2 of the Security Agreement.

This proposal to accept the Collateral is subject to the interests of any senior liens or other interests superior to our Security Interest. This proposal is unconditional and subject only to your agreement to preserve and maintain the Collateral in your possession until the earlier of (i) October 21, 2001 or (ii) your acceptance of this proposal and tender of possession of the Collateral to Microsoft. You may accept this proposal prior to October 21, 2001 by signing and returning the attached consent to the undersigned at:

Microsoft Corporation
One Microsoft Way
Redmond, Washington 98052-6399

With a copy to:


Preston Gates & Ellis LLP
701 Fifth Avenue, Suite 5000
Seattle, WA 98104

This proposal is made pursuant to RCW 62A.9A-620 and RCW 62A.9A-621 (and to the extent applicable to any part of the Collateral the equivalent provisions of sections 9-620 and 9-621 of revised Article 9 of the Uniform Commercial Code as adopted in the States of Delaware, New York or North Carolina as the case may be). We hereby reserve all of our rights and remedies at law and in equity and may revoke this proposal at any time prior to the earlier of (i) our receipt of your signed acceptance and delivery of possession of the Collateral or (ii) October 21, 2001.

This Proposal is dated Monday October 1, 2001

Signed Microsoft Corporation

BY


Richard Emerson, Senior Vice President, Corporate Development & Strategy

Acceptance of Proposal to Accept Collateral in full Satisfaction of Obligations

To: Microsoft Corporation
One Microsoft Way
Redmond, Washington 98052-6399
Attention: Craig Shealy (425) 707-6530

From: RECIPROCAL, INC.
330 Madison Avenue, 19th Floor
New York, New York 10017

Be advised that Reciprocal, Inc. hereby consents to your Proposal to Accept Collateral in Full Satisfaction of Obligations dated October 1, 2001 and attached hereto. We represent and warrant that all corporate action necessary for the due authorization and execution of this consent has been taken and that this consent is fully enforceable and binding on Reciprocal, Inc. in accordance with its terms.

Consent dated _____

RECIPROCAL, Inc.

By _____

Its _____

ASSIGNMENT OF LOAN DOCUMENTS

This Assignment of Loan Documents (this "*Assignment*") is made as of October 17, 2001, between Microsoft Corporation ("*Assignor*") and Rights Solutions, Inc., f/k/a R Assets Holding Corporation ("*Assignee*").

Whereas, Assignor as the sole shareholder of Assignee is contributing its interest in the Loan Documents (defined below) to Assignee as additional paid in capital.

Now, therefore, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby irrevocably and unconditionally transfer, sell, assign and convey to Assignee, without representation, recourse or warranty, all its right, title and interest in and to each of the following: (i) Convertible Loan Agreement between Assignor and Reciprocal, Inc., a Delaware corporation ("*Debtor*") dated as of March 16, 2001 (the "*Loan Agreement*"); (ii) Convertible Promissory Note made by Debtor in the original principal amount of \$10,000,000 dated March 16, 2001 and all indebtedness evidenced thereby; (iii) Commercial Security Agreement from Debtor in favor Assignor dated as of March 16, 2001, and all liens and security interests created thereby; (iv) Technology Collateral Escrow Agreement among Assignor, Debtor and DSI Technology Escrow Services, Inc. (the "*Escrow Agreement*") and the Deposited Materials (as defined in the Escrow Agreement) delivered to Assignor; (v) Memorandum of Assignment as Security of Trademark dated March 16, 2001; (vi) Memorandum of Assignment as Security of Patent dated March 16, 2001; and (vii) all other documents and instruments executed or delivered in connection with each of the foregoing, including all Loan Documents (as such term is defined in the Loan Agreement), and all notices and demands made by Assignor.

In witness whereof the parties have executed this Assignment as of the date written above.

ASSIGNOR:

Microsoft Corporation

By: 

Name: Richard P. Emerson

Title: SVP, Corp. Dev. & Strategy

ASSIGNEE:

Rights Solutions, Inc.

By: 

Name: KEVIN J. FAY

Title: Vice President - General

Rights Solutions, Inc.
One Microsoft Way
Redmond, Washington 98502

October 22, 2001

Reciprocal, Inc.
330 Madison Avenue
New York, NY 10017
Attention: John G. Schwartz, CEO & President

Ladies, Gentlemen:

The undersigned, Rights Solutions, Inc. ("RSI"), refers to its letter dated October 18, 2001 (the "*Letter*"), to Reciprocal, Inc. ("*Reciprocal*"). All capitalized terms used without definition herein shall have the meanings ascribed in the Letter. As stated in the Letter, Reciprocal was deemed to have accepted the Proposal as of October 21, 2001.

The purpose of this letter is to notify Reciprocal that RSI has foreclosed upon and taken title to the Collateral secured by the Loan Documents in accordance with the Proposal. Should you have any questions, please contact the undersigned or our attorneys, Preston Gates & Ellis, LLP.

RIGHTS SOLUTIONS, INC.

By: 

Name: Sean Emam
Title: Vice President



Toering, Rick

From: John Weresh (LCA) [jweresh@microsoft.com]
Sent: Wednesday, December 19, 2001 12:47 PM
To: Talbot, Scott
Cc: Toering, Rick; Willsey, Peter; Donovan, Joan; Wimmer, Adria; Tammy Krieger (LCA); Kymerie Schmidt (LCA)
Subject: RE: Reciprocal

Thanks for the mail. Please forward your patent and trademark files for Reciprocal to me at the address provided below. In addition to the files, it would also be very helpful to have a docket report or the like that will enable us to take an inventory of the files and enter any important dates in our database for follow-up. With respect to foreign matters, please have your foreign associates contact Tammy Krieger directly. Her information is also provided.

Thanks for your assistance,

John Weresh
jweresh@microsoft.com
Microsoft Corporation
One Microsoft Way
Redmond, WA 98052-6399
(425) 705-7707

Tammy Krieger
tammykr@microsoft.com
Microsoft Corporation
One Microsoft Way
Redmond, WA 98052-6399
(425) 705-2633

-----Original Message-----

From: Talbot, Scott [mailto:stalbot@cooley.com]
Sent: Tuesday, December 18, 2001 3:52 PM
To: John Weresh (LCA)
Cc: Toering, Rick; Willsey, Peter; Donovan, Joan; Wimmer, Adria
Subject: Reciprocal

John

My contact information is shown below. I would appreciate you sending me explicit instructions on behalf of the new owner of Reciprocal's patent and trademark applications / registrations to transfer the relevant files. We will also need to instruct foreign counsel to correspond with you or your designee - please provide appropriate contact information.

Thanks.

Scott

C. Scott Talbot
Cooley Godward LLP
11951 Freedom Drive
Reston, VA 20190-5601
Main: 703-456-8000

1/14/02

Direct: 703-456-8072
Fax: 703-456-8100
Cell: 703-282-0764
E-Mail: stalbot@cooley.com

This email message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message